

Article - Education

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§15–104.

(a) It is the public policy of the State that endowment funds of public institutions of higher education and gifts, donations, bequests, private endowments, and private grants received by public institutions of higher education or their governing boards, including any income therefrom:

(1) Shall be used in accordance with the wishes of the donors; and

(2) May not be used as a substitute for State General Fund appropriations.

(b) (1) The public institutions of higher education are encouraged to promote private fundraising by strengthening institutional development activities and by maintaining relationships with affiliated foundations.

(2) Affiliated foundations that are independently established for this purpose shall operate subject to policies adopted by the governing boards and be approved for form and legal sufficiency by the Attorney General.

(3) The presidents of the University System of Maryland constituent institutions may establish campus-based foundations. Each foundation need not be approved by the Board of Regents of the University System of Maryland but shall operate subject to policies adopted by the Board of Regents of the University System of Maryland in consultation with the presidents of the University System of Maryland constituent institutions.

(4) An affiliated foundation established and operated under this subsection may not be considered an agency or instrumentality of the State or a unit of the Executive Branch for any purpose.

(5) A financial obligation or liability of an affiliated foundation established and operated under this subsection may not be considered a debt or an obligation of the State or the University System of Maryland.

(6) Sections 5–501 through 5–504 of the General Provisions Article do not bar an official or employee of a public institution of higher education from becoming a director, official, or employee of an independent foundation organized to foster fundraising and provide related services for the benefit of the institution.

(7) No funds shall be accepted from an affiliated foundation by a public institution of postsecondary education unless the fiscal affairs of the affiliated foundation are audited annually by an independent certified public accountant.

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